

**Ripley County, Indiana**  
**2006 Pay 2007 Budget Order**

An analysis of the data with the 2006 Pay 2007 Budget Order for Ripley County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Ripley County has five cross-county units: Batesville Community School Corporation, Batesville Civil City, and Batesville Public Library all cross from Ripley County, the major county for each, into Franklin County. Sunman-Dearborn Community Schools crosses into Ripley from Dearborn County. Since Dearborn County is the major county for the school district, any data included in this analysis is for the portion of the unit in Ripley County only. Finally, the Southeastern Indiana Solid Waste District crosses into Franklin, Ripley, Ohio, Switzerland, Jennings, and Scott from Jefferson. Jefferson is the major county for the solid waste district, so only the portion of the unit in Ripley County is included here.

According to DLGF staff, real property and sales data are in compliance with departmental and statutory requirements. Auditor data will not be available until after certification. Ripley County has been released from reassessment for pay 2007.

**Changes in Local Tax Levies**

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2007 on a county-wide basis was approximately \$925,882, or 3.93%. The largest total dollar increases in levy were due to the County unit (\$333,662), the Batesville Community School Corporation (\$371,129), and the Milan Community School Corporation (\$235,321). Following are the levy changes that were greater than a 10% change over the previous year levy.

1. The Ripley County taxing unit, including all funds, increased its levy by \$333,662 or 7.22% over the prior year. Funds with significant increases included the Welfare Family and Children Fund levy, which increased \$200,532 (12.30%) and the Cumulative Bridge Fund, which increased \$82,665 or 18.98%.
2. Adams Township had a total levy increase of \$16,824 or 51.36%. This increase was mainly due to the establishment of a new levy for the Emergency Fire Loan Fund in the amount of \$10,707. The other significant levy increase included the Fire Fund, which increased \$5,399 (35.18%). This included an excess levy appeal in 2007 for \$4,440.
3. Brown Township increased its total levy by \$755 (3.98%). The levy decrease for the General Fund of \$3,915 or 45.79% was offset by the increase in the Township Assistance Fund of \$4,496, which is a 174.26% increase.
4. Center Township increased its total levy by \$6,003 or 7.81%. This was entirely due to the increase in the Special Fire Protection Territory General of \$6,505 (11.73%).
5. Franklin Township experienced a total levy increase of \$1,165 or 5.10%. This increase is mainly due to the increase in the Township Assistance Fund levy in the amount of \$891 (15.92%).

6. Jackson Township's General Fund levy increased \$1,329 or 21.56% while the total Township Assistance Fund levy decreased \$681 for a 14.70% rate. The total levy increased \$648 (6.00%).
7. Otter Creek Township increased its total levy by \$8,589 or 57.14%. This is mainly due to the increase in the Township Assistance Fund levy of \$7,776 (804.97%). In addition, the Fire Fund levy increased \$2,102 or 27.67%, while the General Fund levy decreased by \$1,289 for a 19.93% reduction. The Township received two excess levy appeals in 2007. The appeal for Township Assistance was in the amount of \$6,048, while the appeal for the Fire Fund was for \$1,920.
8. Shelby Township's Township Assistance levy increased 31.81% or \$348, while the total levy increase only amounted to \$86 or 0.58%.
9. The \$1,361 (4.80%) increase in the Washington Township total levy was due in large part to the \$478 or 24.39% increase in the Township Assistance Fund levy.
10. The Osgood Public Library experienced a decrease in its overall levy of \$22,750 (12.25%). The decrease was entirely due to the elimination of the Debt Fund levy of \$31,925.
11. Batesville Civil City had several funds with both significant increases and decreases in their levies. The increases include the Motor Vehicle Highway Fund levy of \$250,130 or 123.02%, the Swimming Pool Fund in the amount of \$48,340 (110.09%), the Cumulative Fire Special Fund levy, which increased by \$12,348 or 35.90%, and the creation of the Police Pension Fund levy for \$42,073. Offsetting reductions include the General Fund levy, which decreased by \$263,157 (32.22%) and the Park Fund levy, which experienced a 34.52% or \$39,095 decrease. Overall, the total levy increase for the City was \$53,984 or 4.08%.
12. Sunman Civil Town had a total levy increase of \$11,821 or 10.10%. The General Fund levy was the cause of this increase by contributing \$13,271 (13.73%) to the total. This was partially offset by a decrease in the Park and Recreation Fund levy of \$2,208 (40.42%).
13. Versailles Civil Town's total levy increased by \$16,030 or 6.95%. Three funds contributed to this increase – the Motor Vehicle Highway Fund with a levy increase of \$24,992 or 166.90%, the Fire Building Debt Fund, which saw a levy increase of \$443 or 13.57%, and finally the Park Fund, having increased \$7,502 and 168.70%.
14. All of Holton Civil Town's \$4,549 (11.54%) increase in its total levy was due exclusively to the increase in its General Fund levy.
15. The portion of the Southeastern Indiana Solid Waste District that is in Ripley County had a total levy increase of \$15,165 or 12.54%.
16. The portion of Sunman-Dearborn Community School Corporation included in Ripley County increased its total levy by \$24,134 or 1.23%. Of this, the Bus Replacement Fund levy increased by \$20,420 or 108.82%, while the School Pension Debt Fund levy decreased by \$32,305 (23.01%) and the Pre-School Special Education levy decreased by \$593 (24.65%).
17. The South Ripley Community School Corporation saw a total levy increase of \$96,431 or 2.56%. The Transportation Fund levy increased by \$100,100 or 14.69%, which more than offset the \$51,143 (97.19%) decrease in the Bus Replacement Fund levy. The school corporation received a \$76,596 transportation excess levy appeal per P.L. 2-2006.

18. The portion of the Batesville Community School Corporation that lies within Ripley County showed an increase in its total levy of \$371,129 (7.87%). This increase was due almost entirely to the increase in the School Capital Projects Fund levy of \$337,569 or 44.93%.
19. Jac-Cen-Del Community School Corporation's Debt Service Fund levy decreased by \$178,570 (26.46%) and the Bus Replacement levy also decreased in the amount of \$84,908 or 47.73%. These resulted in a total levy decrease of \$284,127 (10.32%).
20. The Milan Community School Corporation saw an increase in its total levy in the amount of \$235,351 or 8.15%. This is mainly due to increases in the Transportation Fund levy of \$103,947 (20.14%) and in the Bus Replacement Fund levy of \$82,836 or 155.33%. The school corporation received a \$85,735 transportation excess levy appeal per P.L. 2-2006.

No units in the County exceeded the working maximum levy. All units in the County levied up to the working maximum levy except for County CWSHN (\$1,151 or 4.06%) and MAW (\$1,215 or 10.49%), and the Jac-Cen-Del Community School Transportation Fund, which was under the max levy by \$65,834 or 14.51%.

Ripley County is a CAGIT county, and, in CAGIT counties, controlled levies grow at a rate higher than non-CAGIT counties. In addition, many of the taxing units had adjustments for prior year's levy excess, which allowed controlled levies to grow at a rate higher than the normal statutory growth rate. Given CAGIT and levy excess adjustments, no units in the County had controlled levy growth higher than expected.

### **Changes in Real Property Gross Assessed Values**

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	21.90%
Industrial	0.46%
Commercial	32.82%
Residential	27.63%
Utilities	23.79%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2006 Ratio</u>	<u>2007 Ratio</u>
Agriculture	33.77%	32.92%
Industrial	4.51%	3.62%
Commercial	11.53%	12.25%
Residential	50.06%	51.09%
Utilities	0.12%	0.12%

As can be seen from the analysis, a shift from Agriculture and Industrial to Commercial and Residential has occurred. This shift was approximately 1.74%, with 1.03% of the shift going toward Residential.

### Change in Net Tax Rates

Ripley County has several cross county units included in these taxing districts. They are included in this analysis because complete information is available for each of them. Changes in net tax rate by district were as follows:

<u>District</u>	<u>Change in NAV</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
Adams Twp.-Sunman Dearborn	17.47%	-11.55%	-8.96%	-6.74%	0.04%
Adams Twp.-Batesville School	26.07%	-5.78%	-1.74%	2.09%	12.82%
Batesville City-Adams Twp.	1.28%	-6.34%	-3.46%	-0.10%	11.11%
Sunman Town	12.73%	-10.78%	-8.41%	-6.33%	1.15%
Brown Township	23.77%	-13.72%	-11.67%	-9.49%	-1.77%
Center Township	8.97%	-20.46%	-20.38%	-19.01%	-13.00%
Osgood Town	21.38%	-19.38%	-19.13%	-17.77%	-10.43%
Delaware Township	28.30%	-20.52%	-20.45%	-19.05%	-13.01%
Franklin Township	32.84%	-17.52%	-15.42%	-14.11%	-8.16%
Milan Town-Franklin Twp.	35.14%	-17.71%	-15.93%	-14.43%	-7.36%
Jackson Township	4.52%	-20.00%	-19.81%	-18.37%	-12.42%
Napoleon Town	31.39%	-20.34%	-20.23%	-18.77%	-12.29%
Johnson Township	27.75%	-13.73%	-11.69%	-9.51%	-1.80%
Versailles Town	21.99%	-13.46%	-11.78%	-9.52%	-0.33%
Laughery Twp.-Batesville Sch	10.60%	-6.28%	-2.40%	1.31%	11.93%
Laughery Twp.-Jac-Cen-Del	27.40%	-20.41%	-20.32%	-18.89%	-12.87%
Batesville City – Laughery Sch	16.64%	-6.34%	-3.45%	-0.09%	11.12%
Otter Creek Township	12.42%	-12.68%	-10.38%	-8.03%	0.01%
Holton Town	17.03%	-11.02%	-9.03%	-6.67%	3.69%
Shelby Township	6.77%	-13.49%	-11.40%	-9.24%	-1.48%
Washington Township	35.24%	-17.57%	-15.51%	-14.18%	-8.16%
Milan Town-Washington Twp.	17.94%	-17.72%	-15.96%	-14.45%	-7.35%
Average	19.89%	-14.40%	-12.61%	-10.52%	-2.66%

Downward pressure on tax rates came from increases in Assessed Value due to trending.

Upward pressure on tax rates came from the increased Homestead Deduction and decreased Homestead Credit rate, as well as increases in tax levies. The County was an early adopter of the inventory deduction.

### Assessment Status

According to DLGF staff, real property and sales data are in compliance with departmental and statutory requirements. Auditor data will not be available until after certification is complete. Until review is completed, it is not possible to say whether the data is compliant with departmental and statutory requirements.

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

<u>Property Class</u>	<u>Percent of Parcels with Identified Assessed Valuation Change</u>				
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	1.5%	17.2%	31.8%	46.7%	2.7%
Industrial	4.1%	81.4%	10.3%	4.1%	0.0%
Residential	2.8%	17.8%	42.8%	35.8%	0.9%
Overall	2.7%	18.4%	41.5%	36.5%	1.0%

Per DLGF staff, Ripley County's assessments were released on September 7, 2007. Ripley County will not be required to perform a reassessment for pay 2007.